

# Morgan Lewis

**Andrew D. Lipman**

**Russell M. Blau**

**Denise S. Wood**

andrew.lipman@morganlewis.com

russell.blau@morganlewis.com

denise.wood@morganlewis.com

December 11, 2018

***VIA OVERNIGHT COURIER***

Ms. Jocelyn Boyd, Chief Clerk/Administrator  
South Carolina Public Service Commission  
101 Executive Center Drive, Suite 100  
Columbia, SC 29210

DEC 12 2018  
12:02 PM

**Re: Notification Regarding the Transfer of Indirect Control of Mitel Cloud Services, Inc. to MLN TopCo Ltd.**

Dear Ms. Boyd:

By this letter, MLN TopCo Ltd. ("TopCo" or "Transferee"); Mitel Networks Corporation ("Mitel" or "Transferor"); and Mitel Cloud Services, Inc. ("MCSI" or "Licensee") (collectively, the "Parties") notifies the Commission of a transaction, completed on November 30, 2018, that resulted in the transfer of control of MCSI to Transferee (the "Transaction"). Since Commission approval or prior notice was not required for the Transaction, this letter is submitted for informational purposes.

**Description of the Parties**

**A. Mitel Networks Corporation (Transferor)**

Mitel, a widely-held Canadian business corporation (NASDAQ: MITL), is a leading global provider of cloud and on-site communications and collaboration solutions for business customers, serving more than 70 million end users around the world. Since 2011, Mitel has fundamentally reoriented its business from an on-site or premise-based unified communications and telephony business to become a diverse global market leader with established positions in next-generation cloud and enterprise markets. These solutions enable customers to realize significant cost benefits and to conduct business more efficiently and effectively by enabling enhanced communications, information sharing and collaboration within a business and with customers, partners and suppliers. Mitel is headquartered in Ottawa, Canada, with offices, partners and resellers worldwide.

**Morgan, Lewis & Bockius LLP**

1111 Pennsylvania Avenue, NW  
Washington, DC 20004  
United States

☎ +1.202.739.3000  
☎ +1.202.739.3001

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**B. Mitel Cloud Services, Inc. (Licensee)**

MCSI, a Texas corporation and wholly owned indirect subsidiary of Mitel, resells local communications services; domestic and international long-distance services; calling card services; 800 services; dedicated data services; Internet, DSL, MPLS services and Web voice and videoconferencing; disaster recovery solutions; and network monitoring and management. MCSI resells telecommunications services through its agreements with major U.S. long-distance carriers. In addition, MCSI is licensed as a competitive local exchange and interexchange carrier throughout the United States, and registered as an interconnected VoIP provider and wireless/CMRS reseller in numerous states. In South Carolina, MCSI is authorized by the Commission to provide resold interexchange service on April 10, 1997 (Docket No. 96-364-C) and to provide resold local exchange telecommunications services on August 18, 2007 (Docket No. 2007-155-C). MCSI is also authorized by the FCC to provide domestic and international telecommunications services.

Additional information concerning Licensee's legal, technical, managerial and financial qualifications has been submitted to the Commission with its filings for certification and is therefore already a matter of public record. Licensee requests that the Commission take official notice of these existing descriptions of Licensee's qualifications and incorporate them by reference herein.

**C. MLN TopCo Ltd. (Transferee)**

TopCo is a Cayman Islands exempted company (an incorporated entity) formed for the purposes of implementing the Transaction. TopCo is a wholly owned subsidiary of Searchlight II MLN, L.P., a Cayman Islands exempted limited partnership and master aggregator of an investor group led by funds affiliated with Searchlight Capital Partners, L.P. ("Searchlight"). Searchlight is a leading private equity investment group and has worked successfully in partnership with leading businesses throughout North America and Europe. Searchlight derives value through thoughtful strategic direction, operational expertise and deep industry knowledge. Searchlight's funds invest in companies across various sectors, including communications, media, consumer, and business services.

**Contacts**

For the purposes of this filing, contacts are as follows:

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With a copy to:

Andrew D. Lipman  
 Russell M. Blau  
 Denise S. Wood  
 Morgan, Lewis & Bockius LLP  
 1111 Pennsylvania Ave., N.W.  
 Washington, DC 20004-2541  
 Tel: 202-739-3000  
 Fax: 202-739-3001  
 andrew.lipman@morganlewis.com  
 russell.blau@morganlewis.com  
 denise.wood@morganlewis.com

Nadir Nurmohamed  
 Searchlight Capital Partners, L.P.  
 22 Adelaide Street West  
 35th Floor  
 Toronto, ON M5H 4E3  
 Canada  
 Tel: 416-352-5001  
 Fax: 416-352-5001  
 nnurmohamed@searchlightcap.com

### **Description of the Transaction**

Pursuant to the Arrangement Agreement (the "Agreement"), dated as of April 23, 2018, by and between Mitel, MLN AcquisitionCo ULC ("MLN"), and TopCo, MLN acquired all of the issued and outstanding common shares in the capital of Mitel in an all-cash transaction valued at approximately \$2.0 billion, including Mitel's net debt. Subsequently, Mitel and MLN amalgamated under Canadian law to form a new combined entity, Mitel Networks ULC ("New Mitel"), a British Columbia unlimited liability company. The shares in Mitel's U.S. subsidiaries were transferred from New Mitel to MLN US HoldCo LLC, a Delaware limited liability company, through a series of steps. As a result, at the closing of the Transaction, Licensee became a wholly owned indirect subsidiary of TopCo through a number of intermediate holding companies.

After the Transaction closed, Robert Agnes, the current Director, Chairman and President of MCSI, has continued to serve in his existing role. The Transaction occurred entirely at the holding company level and had no adverse impact on Licensee's customers. As such, the Transaction did not result in service disruption, termination, or customer confusion. Diagrams depicting the pre- and post-Transaction corporate ownership structure of Licensee are provided as Exhibit A.

The Transaction was in the public interest. Licensee continues to be managed and operated by the same officers and personnel, but was supplemented by management of Transferee. The Transaction provided MCSI with access to Transferee and the Searchlight-managed investor group's financial and operational expertise, permitting MCSI to continue to provide robust unified communications solutions to its customers and to better compete in the telecommunications marketplace. Transferee and its affiliates are building on MCSI's existing assets, support investment in new infrastructure and continue to offer innovative and high-quality services to existing customers. The Transaction had no adverse impact on customers and will not alter the manner of service delivery or billing. MCSI's existing management team remains in place and that MCSI's managerial, technical and operational standards will be maintained. MCSI continues to comply with existing contracts and tariffs, as applicable, subject to change in the ordinary course of business and in accordance with applicable law.

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An original and fifteen (15) copies of this notification letter are enclosed. Please date-stamp and return the extra copy in the envelope provided. Please do not hesitate to contact us with any questions. Should you have any questions, please do not hesitate to contact us.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'ADL', is written over a horizontal line.

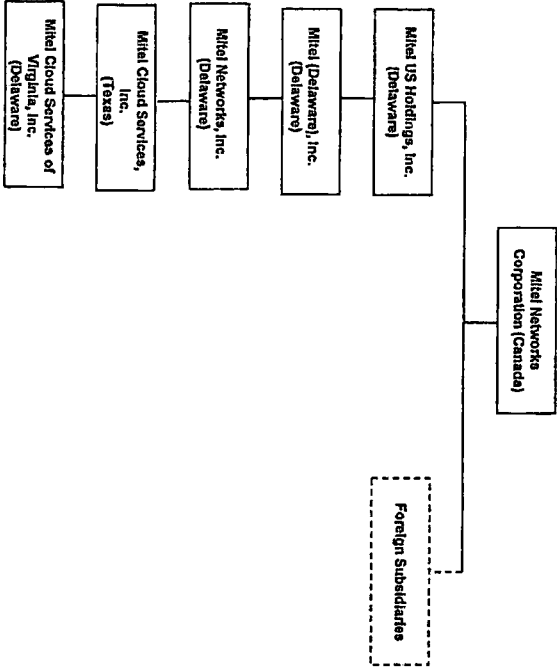
Andrew D. Lipman  
Russell M. Blau  
Denise S. Wood

Counsel for MLN TopCo Ltd.

**EXHIBIT A**

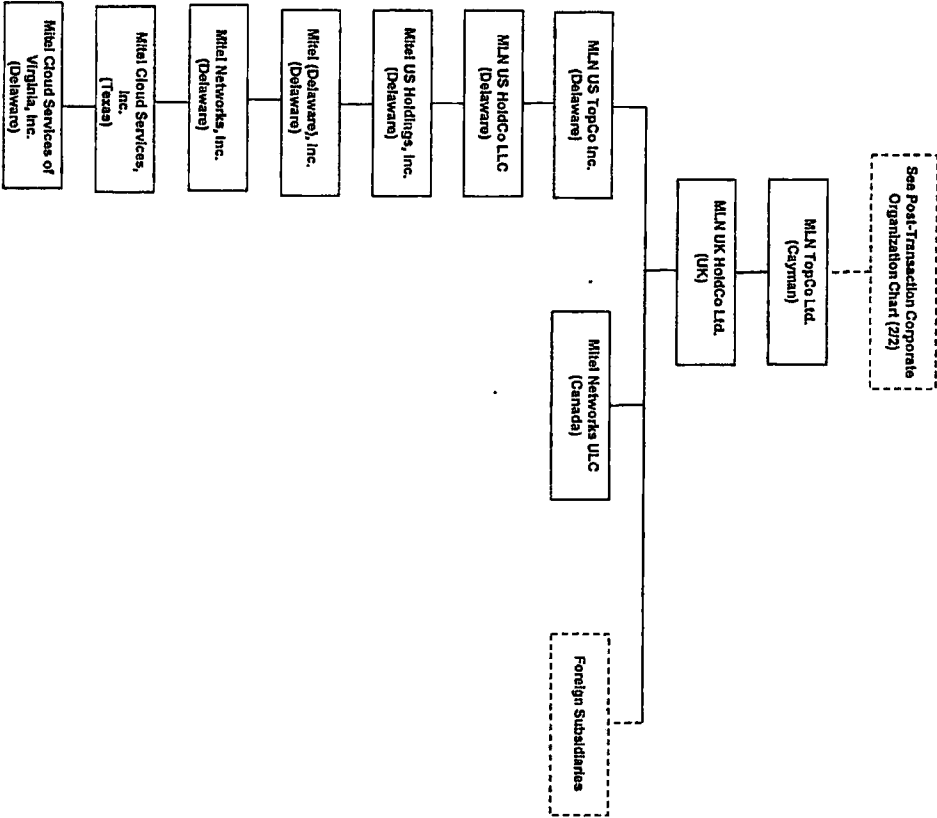
**Diagrams of the Pre-Transaction and Post-Transaction Corporate Ownership Structures**

Pre-Transaction Corporate Organization Chart



\* All solid lines in this chart represent 100% ownership. The entities listed herein only include entities that (1) hold authorization to provide interstate, intrastate or international telecommunications services in the United States or (2) hold a 10% or greater direct or indirect ownership interest in the chain of ownership of those entities, based on FCC ownership attribution rules. The chart excludes subsidiaries and affiliates of MLN TopCo Ltd. that do not hold authorization to provide telecommunications services in the United States.

Post-Transaction Corporate Organization Chart (1/2)



\* All solid lines in this chart represent 100% ownership. The entities listed herein only include entities that (1) hold authorization to provide interstate, intrastate or international telecommunications services in the United States or (2) hold a 10% or greater direct or indirect ownership interest in the chain of ownership of those entities, based on FCC ownership attribution rules. The chart excludes subsidiaries and affiliates of MLN TopCo Ltd. that do not hold authorization to provide telecommunications services in the United States.



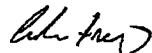


## Verifications

**VERIFICATION**

I, Andrew Frey, state that I am an Authorized Person of Searchlight Capital Partners, L.P.; that I am authorized to make this Verification on behalf of Searchlight Capital Partners, L.P. and its affiliates, including MLN TopCo, Ltd. (collectively, the "Company"); that the foregoing filing was prepared under my direction and supervision; and that the contents with respect to the Company are true and correct to the best of my knowledge, information, and belief.

I declare under penalty of perjury that the foregoing is true and correct. Executed this 30<sup>th</sup> day of November, 2018.

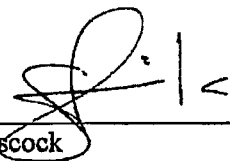


\_\_\_\_\_  
Andrew Frey  
Authorized Person  
Searchlight Capital Partners, L.P.

**VERIFICATION**

I, Greg Hiscock, state that I am Vice President, General Counsel, Corporate Secretary, and Director of Global Ethics & Compliance of Mitel Networks Corporation; that I am authorized to make this Verification on behalf of Mitel Networks Corporation and its subsidiaries, including Mitel Cloud Services, Inc. (collectively, the "Company"); that the foregoing filing was prepared under my direction and supervision; and that the contents with respect to the Company are true and correct to the best of my knowledge, information, and belief.

I declare under penalty of perjury that the foregoing is true and correct. Executed this 21<sup>st</sup> day of November, 2018.

  
\_\_\_\_\_  
Greg Hiscock  
Vice President, General Counsel, Corporate  
Secretary, and Director of Global Ethics &  
Compliance  
Mitel Networks Corporation